



United States Department of the Interior

BUREAU OF OCEAN ENERGY MANAGEMENT

Gulf of Mexico OCS Region
1201 Elmwood Park Boulevard
New Orleans, LA 70123-2394

In Reply Refer To: MS GM 266A
OCS-G 29188

AUG 02 2019

Sanare Energy Partners, LLC
11 Greenway Plaza, Suite 2800
Houston, TX 77046
Attn: Sherry J. Gosnell

Dear Ms. Gosnell:

Your letter dated July 18, 2019, requesting cancellation of Outer Continental Shelf (OCS) Mineral Lessee's or Operator's Supplemental Bond No. N-7000943, in the amount of \$138,000, was received by our office on July 22, 2019. This bond, conditioned to cover Right-of-Way OCS-G 29188, was executed on March 23, 2018, with Northstar Offshore Ventures LLC as principal and Indemnity National Insurance Company as surety.

Attached to and forming a part of Bond No. N-7000943, is Name Change Bond Rider, executed on February 4, 2019, which changes the name of the principal from Northstar Offshore Ventures, LLC to Sanare Energy Partners, LLC. The rider is effective November 29, 2018.

We are unable to grant your request at this time. The Bureau of Safety and Environmental Enforcement objects to this cancellation. OCS-G29188 currently has a decommissioning liability amount of \$386,793 with an uncovered amount of \$111,093. Cancellation of this bond would increase this uncovered amount.

Should you need further assistance, please contact the Bureau of Safety and Environmental Enforcement Pipelines at pipelines@bsee.gov.

Sincerely,

Susan Vaughan, Section Chief
Leasing and Financial Responsibility Section
Leasing and Plans

cc: Indemnity National Insurance Company
725 Cool Springs Blvd., Suite 600
Franklin, TX 37067
Attn: Theresa Pickerrell

Sent Via Email To: bmac@sanarepartners.com , sgosnell@sanarepartners.com ,
tpickerrell@smithmanus.com



11 Greenway Plaza
Suite 2800
Houston, Texas 77046

(713) 626-9696

Fax (713) 626-3444

Via Federal Express

July 18, 2019

Bureau of Ocean Energy Management
Lease and Financial Responsibility Section
Attn: Ms. Kathleen Lee
1201 Elmwood Park Blvd.
New Orleans, LA 70123-2394

Re: Bond Cancellation Request
Ship Shoal 238 R-O-W OCS-G 29188, Segment #18834
Supplemental Bond N-7000943 & Rider

Dear Ms. Lee:

Sanare Energy Partners, LLC (3520) {"Sanare"} respectfully requests the release and cancellation of Supplemental Bond #N-7000943 in the amount of \$138,000.00 representing the captioned Right-of-Way. Indemnity National Insurance Company is the Surety, with Sanare Energy Partners, LLC as Principal.

The BSEE approved Sanare's assignment of this Right-of-Way in favor of Peregrine Oil & Gas II, LLC on September 18, 2018. Peregrine provided Bond #EAIC401765 in the amount of \$70,380.00, and Bond #EAIC401766 in the amount of \$67,320.00 and received BOEM approval of these bonds made effective June 25, 2019.

Should you require additional information, please feel free to contact:

Mr. Brian Macmillan at (713) 386-1046 or bmac@sanarepartners.com

Sherry Gosnell at (713) 386-1040 or sgosnell@sanarepartners.com

Or our Surety contact, Ms. Theresa Pickerrell at (502) 238-1246 or tpickerrell@smithmanus.com

Respectfully,

A handwritten signature in blue ink, appearing to read "Sherry J. Gosnell".

Sherry J. Gosnell
Assistant Secretary

sg/Word/Reading 2019/BOEM SS 238 ROW G 29188 Bond Cancellation Request.docx

